

September 9, 1986

Document # 4799

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: FINAL DESIGNATION OF 4-18 CLARENDON STREET/72 WARREN
AVENUE LIMITED PARTNERSHIP
APPROVAL OF FINAL WORKING DRAWINGS AND SPECIFICATIONS
AND PROPOSED DISPOSITION OF PARCELS SE-74 TO SE-77 AND
SE-113
IN THE SOUTH END URBAN RENEWAL AREA
PROJECT NO. MASS. R-56

WHEREAS, the Boston Redevelopment Authority, (hereinafter referred to as the "Authority"), has entered into a contract for loan and capital grant with the Federal Government under Title I of the Housing Act of 1949, as amended, which contract provides for financial assistance in the hereinafter identified Project; and

WHEREAS, the Urban Renewal Plan for the South End Urban Renewal Area, Project No. Mass. R-56, (hereinafter referred to as the "Project Area"), has been duly reviewed and approved in full compliance with local, State and Federal law; and

WHEREAS, the Authority is cognizant of the conditions that are imposed in the undertaking and carrying out of urban renewal projects with Federal financial assistance under said Title I, including those prohibiting discrimination because of race, color, sex, religion or national origin; and

WHEREAS, 4-18 Clarendon Street/72 Warren Avenue Limited Partnership has expressed an interest in and/or have submitted a satisfactory proposal for the development of Disposition Parcels SE-74 to SE-77 and SE-113 in the South End Urban Renewal Area; and

WHEREAS, the Authority is cognizant of Chapter 30, Sections 61 through 62H of the Massachusetts General Laws, as amended, with respect to minimizing and preventing damage to the environment:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That 4-18 Clarendon Street/72 Warren Avenue Limited Partnership be and hereby is finally designated as Redeveloper(s) of Parcels SE-74 to SE-77 and SE-113 in the South End Urban Renewal Area.
2. That it is hereby determined that 4-18 Clarendon Street/72 Warren Avenue Limited Partnership possess the qualifications and financial resources necessary to acquire and develop the land in accordance with the Urban Renewal Plan for the Project Area.
3. That disposal of said Parcel by negotiation is the appropriate method of making the land available for redevelopment.
4. That the Final Working Drawings and Specifications submitted by 4-18 Clarendon Street/72 Warren Avenue Limited Partnership for the development of Parcels SE-74 to SE-77 and SE-113 conform in all respects to the Urban Renewal Plan for the Project Area, and that said Final Working Drawings and Specifications be and hereby are approved.

5. That it is hereby found and determined that the proposed development will not result in significant damage to or impairment of the environment and further, that all practicable feasible means and measures have been taken and are being utilized to avoid or minimize damage to the environment.

6. That the Director is hereby authorized for and in behalf of the Boston Redevelopment Authority to execute and deliver a Land Disposition Agreement, and Deed conveying Parcels SE-74 to SE-77 and SE-113 to 4-18 Clarendon Street/72 Warren Avenue Limited Partnership, said documents to be in the Authority's usual form except for such modifications which shall be satisfactory in form and substance to the Chief General Counsel's Office. The attached "Covenant for Affordable Housing", which will be part of the Deed, shall be as attached hereto except for such modifications which shall be satisfactory in form and substance to the Chief General Counsel's Office.

7. That the Secretary is hereby authorized and directed to publish notice of the proposed disposal transaction in accordance with Section 105(E) of the Housing Act of 1949, as amended, including information with respect to the "Redeveloper's Statement for Public Disclosure" (Federal Form H-6004).

BOSTON CENTER FOR THE ARTS



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Ans'd.....

Royal Cloyd
President

September 8, 1986

Mr. Ricardo A. Millett
Assistant Director
Boston Redevelopment Authority
1 City Hall Square
Boston, MA 02201

Dear Ricardo:

We will commit 8 (eight) parking spaces in the lot at 10-12 Warren Avenue to the limited partnership known as 4-18 Clarendon Street/72 Warren Avenue. We have discussed this with the partners; and we are willing to lease these spaces to them at the market rate, at such time as we have received the proper variance and the approval of the Boston Redevelopment Authority.

Very truly yours,

RC:la

Covenant for Affordable Housing

The monetary consideration for this Property is intentionally below-market because the Grantor and Grantee agree that the Grantee's "Covenant for Affordable Housing" (hereinafter the "Covenant"), as set forth below, constitutes consideration which is reasonably approximate to that amount of money deducted therefor from the Property's monetary fair market value. The Covenant is intended to benefit the low and moderate income inhabitants of the City of Boston by providing below-market home ownership and rental opportunities on a long term basis. The Grantee hereby acknowledges the public subsidy which it has received in the form of reduced monetary consideration and further acknowledges that the Grantor, in accordance with Chapter 652 of the Acts of 1960 and Massachusetts General Laws Chapter 121B, Massachusetts General Laws Chapter 41, Section 70, has the authority to "make plans for the development of the municipality (Boston), with special reference to proper housing of its inhabitants" M.G.L. Ch. 41 §70, and that the development which will take place on the Property, having received a substantial public subsidy, is a proper vehicle for the Grantor's goal of providing affordable housing for Boston's low and moderate income inhabitants.

This deed is made and executed upon and is subject to the following covenant, which shall run with the land conveyed hereby, that when the Grantee shall have completed renovation of the property and taken all actions necessary to submit the Property to the provisions of Chapter 183A of the Massachusetts General Laws in order to convert the Property into a condominium (the "Condominium"), ten units in the Condominium ("Units") sold by the Grantee,

its successors or assigns (such units being hereinafter referred to as "Restricted Units") shall be subject to the covenants and restrictions set forth below.

Restricted Units: Every unit deed conveying an interest in a Restricted Unit shall contain a statement that such Unit is a Restricted Unit subject to the provisions hereof, and shall include a reference to the place of recording of this Deed in the public land records. Whether or not the unit deed for any Restricted Unit shall contain the foregoing statement, every Unit conveyed by the Grantee, its successors or assigns shall be a Restricted Unit unless the first unit deed of such unit contains a certification from the Grantor, duly signed and acknowledged by the Grantor or by the person or entity designated of record by the Grantor to monitor these restrictions (the "Administrator"), that such Unit is an Unrestricted Unit, or unless a separate certification identifying such Unit and stating that such Unit is an Unrestricted Unit is signed and acknowledged by the Grantor or Administrator at any time. Such certification shall be conclusive evidence that such Unit is an Unrestricted Unit. All Restricted Units shall be subject to the following restrictions, which are hereby imposed for the benefit of, and shall be enforceable by, the Grantor, its successors and assigns:

- (a) Resale Restrictions: Except for first sales of Restricted Units by the Grantee, its successors and assigns, no Restricted Unit or interest therein shall at any time be sold, conveyed or otherwise transferred, and no attempted sale, conveyance or transfer thereof shall be valid, unless the aggregate value of all consideration and payments of every kind given or paid by the purchaser to the owner of such Restricted Unit for and in connection with the transfer of such Restricted Unit, is

equal to or less than the Maximum Resale Price for such Unit determined as of a date not later than the date of transfer or conveyance of title to such Unit. The "Maximum Resale Price" for any Unit as of a given date shall be equal to the purchase price for the Unit paid by the then-current owner of the Unit (the "Seller's Price"), which shall be equal to the consideration recited in the unit deed to such current owner, increased at an annual rate of increase of five percent (5%) compounded annually as of the month and day on which such Unit was conveyed to such then-current owner, and pro-rated on a daily basis to the date as of which the Maximum Resale Price is to be determined.

- (b) Income Restrictions: No Restricted Unit may be sold at any time except to a person or persons whose annual household income as of the date of the Certificate from Grantor hereinafter described is equal to or less than the Maximum Base Income for such Unit at such time. The Maximum Base Income with respect to a given prospective purchaser of a given Restricted Unit shall depend upon the number of persons in the prospective purchaser's household and, for that household, shall be equal to or less than 80% of the Boston Standard Metropolitan Statistical Area as set forth in or calculated by regulations promulgated from time to time by the United States Department of Housing and Urban Development, pursuant to Section 8 of the Housing Act of 1937, as amended by the Housing and Community Development Act of 1974.

The "household" of a prospective purchaser shall mean the purchaser and any person who shall reside in the Unit with the purchaser for at least fifteen weeks during the twelve-month period commencing on the

date of conveyance of the Unit to the purchaser. The "annual household income" of a household as of a given date shall mean the sum of the adjusted gross incomes as defined in then-applicable provisions of the U.S. Internal Revenue Code of each member of the household for the two calendar years next preceding such date (less any annualized medical expenses of any such household member in excess of three percent of the adjusted gross income of such person for any one year) divided by two.

- c. Rental Restrictions: No Restricted Unit shall be leased, sublet or licensed without the written consent of the Grantor or the Administrator, which consent shall not be unreasonably withheld, provided that it shall be reasonable for the Administrator to take into account the income of a proposed tenant relative to the then-applicable re-sale restrictions contained in this Deed in giving or withholding such consent. The parties intend hereby to both discourage speculation and encourage residential stability and maintenance of each Restricted Unit by requiring owner occupancy as described below.
- d. Occupancy Restrictions: Each owner of a Restricted Unit shall live therein with such unit as his or her primary residence except that, upon petition, the Grantor or Administrator may approve the rental of the Restricted Unit based upon the Owner's temporary need to relocate, as the Grantor may deem appropriate in accordance with c. above.

Affidavit of Compliance with Restrictions: Prior to the sale of any Restricted Unit by the Grantee, its successors or assigns, or any subsequent owner of such Restricted Unit, the Grantee, its successors or assigns, or such subsequent owner, as the case may be, shall deliver to the Grantor, as further provided below, an affidavit executed under oath and acknowledged by the prospective purchaser of the Unit identifying the Unit in question, the then-current owner thereof and the prospective purchaser thereof and the names and ages of all persons in the prospective purchaser's household, and stating and affirming:

(i) The adjusted gross income of each member of the household of the prospective purchaser for the two completed calendar years next preceding the date of the affidavit, as declared on the federal income tax returns (Form 1040 or Form 1040A or any equivalent or successor form) of all members of such household for such two years, or as intended to be so declared if federal income tax returns for both such years shall not have been filed as of the date of the affidavit by any such household member, and including copies of all such tax return forms as filed with the Internal Revenue Service, and including evidence, if any, of medical expenses of any member of such household in excess of three percent (3%) of the adjusted gross income of such member for either of such two preceding years;

(ii) That the annual household income of such prospective purchaser for the then-current calendar year shall not exceed the Maximum Base Income; and

(iii) The agreed purchase price, including the aggregate value of all payments, all mortgages or other liabilities assumed and all other consideration of every kind, previously given or paid or subsequently to be given or paid by such prospective purchaser to the seller of the Unit for or in connection with the transfer of the Unit or any interest therein.

(iv) The prospective purchaser's commitment to occupy the Restricted Unit as a primary residence throughout his or her period of ownership.

In addition, the seller of the Unit shall execute under oath, acknowledge and deliver to the Grantor an affidavit identifying the Unit in question, the seller and prospective purchaser thereof, and the agreed purchase price, including the aggregate value of all payments, all mortgages or other liabilities assumed and all other consideration of every kind, previously given or paid or subsequently to be given or paid by such prospective purchaser to the seller for or in connection with the transfer of the Unit or any interest therein and, in the case of a proposed sale by a seller other than the Grantee, the Seller's Price paid for such Unit by such seller and calculation of the Maximum Resale Price of such Unit as of a date not later than the date set for closing of the proposed sale.

Certificate from Grantor: Prior to or upon the execution by the Grantee, its successors or assigns and a prospective purchaser of any contract or agreement for the sale of any Restricted Unit in the Condominium, or execution by any subsequent owner of any Restricted Unit and a prospective purchaser thereof of any such contract or agreement, and in any event at least twenty (20)

days prior to the closing of any sale, conveyance or transfer of any such Unit, the Grantee, its successors or assigns, or such subsequent owner shall deliver (1) a copy of such contract or agreement (whether executed or proposed) and (2) the affidavits of compliance with restrictions described above (collectively, the "Approval Documents"), to the Grantor. The Approval Documents shall be delivered to the Grantor at its mailing address set forth on the first page of this Deed or such other address for the Grantor as shall appear of record, marked to the attention of the Grantor or the Administrator then appearing of record. In each case the Approval Documents so delivered shall be accompanied by a notice stating that a response to the matters referred to therein is required, and specifying the addresses for notice purposes of the prospective purchaser of the Unit and the seller. Within twenty (20) business days of receipt by the Grantor or the Administrator from the seller of the Approval Documents, the Administrator shall prepare and deliver to the seller, at the current address for notice purposes of such party contained in the records of the Administrator,, or at the Unit in question:

- (a) a certificate in recordable form signed and acknowledged by the Grantor or the Administrator referring to the Unit in question, the seller thereof, the prospective purchaser thereof, and the purchase price therefor, and stating that the proposed sale or transfer of the Unit to the prospective purchaser is in compliance with the restrictions contained in this Deed; or
- (b) written notice stating that the Approval Documents are not satisfactory to the Grantor or the Administrator or do not indicate that the annual household income of the prospective purchaser, and the sale or re-sale

price, as the case may be, comply with the restrictions contained herein, and specifying each particular in which the Approval Documents are not satisfactory or the prospective purchaser or the sale or re-sale price does not comply with such restrictions.

All certificates of the type described in (a) above issued by the Grantor or the Administrator shall bear the date of execution thereof. Any good faith purchaser of any Restricted Unit and any lender or other party taking a security interest in such Unit may rely upon a certificate of the type referred to in (a) above referring to such Unit and such purchaser and so executed by the Grantor or the Administrator as conclusive evidence of the matters stated therein and may record such certificate in connection with conveyance of the Unit, provided that, in the case of a certificate under (a) above, the consideration recited in the deed or other instrument conveying such Unit is not greater than the consideration stated in the certificate, and provided that conveyance of such Unit in accordance with the restrictions takes place within one hundred and twenty (120) days from the date of the certificate of the Grantor or the Administrator as provided above. If the conveyance of such Unit pursuant to such Approval Documents and certificate does not occur within one hundred and twenty (120) days of the date of execution by the Administrator of such certificate, the prospective purchaser may execute and the seller may deliver to the Grantor or the Administrator additional affidavits in the form provided above, or other revised Approval Documents, all in accordance herewith, and the provisions of this section with respect to issuance of a certificate or notice by the Grantor or the Administrator and conveyance in accordance therewith shall be applicable to any such additional affidavits and other Approval Documents.

If in any instance the Grantor or the Administrator shall give notice of the type referred to in (b) above, the seller of the Unit in question receiving such notice may submit to the Administrator amended or additional affidavits or other documents. If in any such instance the Grantor or the Administrator shall not have issued a certificate of the type referred to in (a) above on or before the date thirty (30) days after the date on which the Grantor or the Administrator shall have given notice of the type referred to in (b) above, or if the Grantor or the Administrator shall not have given notice in the form of (a) or (b) above after expiration of ten (10) business days from receipt of the Approval Documents by the Grantor or the Administrator, or if the Grantor or the Administrator shall fail to consent to the proposed lease, sublease or license ("rental") of a Unit by its Owner within 45 days from receipt by the Grantor or the Administrator of written request for such consent, such seller or owner may request arbitration by notice of such request to the Grantor or the Administrator. If such notice shall be so given, the parties shall submit the determination of the conformity of the form and substance of the Approval Documents and the compliance of the annual household income of the prospective purchaser and the proposed sale or re-sale price with the restrictions referred to herein, including any questions or objections specified by the Grantor or the Administrator in any notice given under (b) above, or the reasonableness of the refusal to consent to such rental, as the case may be, to the majority decision of a panel of three disinterested persons experienced in real estate, one to be selected by the Grantor or the Administrator, one to be selected by the seller (the respective fees, if any, of each such person to be paid by the party selecting such person) and the third to be selected by such two persons so selected (the fees, if any, of such third persons to be divided equally between the parties), and the parties shall be bound by the results of the

majority decision of such panel. The Grantor or the Administrator and the seller or owner of the Unit in question shall execute, acknowledge and record a certificate stating that arbitration has been commenced and naming the members of the panel. If the majority of such panel determines that Approval Documents conform in form and substance to the terms hereof and that the annual household income of the prospective purchaser and the proposed sale or re-sale price comply with the restrictions contained herein and that the sale should be permitted, or that the refusal to consent to such rental is unreasonable, or that the prospective purchaser has satisfactorily demonstrated that he/she will be occupying the Restricted Unit as a primary residence, then such panel shall report such determination by written notice signed by each member of the panel to the Grantor or the Administrator and to the seller, and, upon receipt of such notice, the Grantor or the Administrator shall issue the certificate described in (a) above, or consent to such rental, as the case may be, in accordance with the panel's determination. If the Grantor or the Administrator shall not have issued such certificate within five (5) days after receipt of such written notice from panel of its determination and its conclusion that the sale or rental should be permitted, then a majority of such panel may issue such certificate in the form prescribed above signed and acknowledged by a majority of such panel, and such certificate shall have the same force and effect as if issued by the Grantor or the Administrator. If the majority of such panel determines that the Approval Documents do not conform in form or substance to the terms hereof or that the annual household income of the prospective purchaser or the proposed sale or re-sale price does not comply with the restrictions contained herein, or that the refusal to consent to such rental is not unreasonable, or that the occupancy requirement in all likelihood will not be met by the prospective purchaser, then such

panel shall report such determination by written notice signed by each member of the panel to the Grantor or the Administrator and the seller, and such determination shall be final and binding as between the parties with respect to the matters submitted to the panel for determination.

Within ten (10) days of the closing of the sale or rental of any Restricted Unit by the Grantee, its successors or assigns, the seller shall deliver to the Grantor or the Administrator a true copy of the unit deed of such Unit as recorded, together with information as to the place of recording thereof in the public records, or a true copy of the rental agreement, as the case may be. Failure of the Grantee, its successors or assigns to comply with the preceding sentence shall not affect the validity of such unit deed.

Rights of First Mortgagees: If the holder (other than the Grantor or its designee) of record of a first mortgage granted to a bank, savings and loan association, mortgage company, trust company, insurance company or other institutional lender shall acquire a Restricted Unit by reason of foreclosure or similar remedial action under the provisions of such mortgage or upon conveyance of the Restricted Unit in lieu of foreclosure, the Resale Restrictions, Income Restrictions, Rental Restrictions and Occupancy Restrictions shall not apply to such holder upon such acquisition of a Restricted Unit, any purchaser (other than the Grantor or its designee) of a Restricted Unit at a foreclosure sale conducted by such holder or any purchaser (other than the Grantor or its designee) of a Restricted Unit from such holder, and such Unit shall thereupon and thereafter be free from all such restrictions and shall be deemed for all purposes to be Unrestricted Unit; provided the original principal amount of the note secured by such mortgage is not in excess of the Maximum

Resale Price as of the date such mortgage is recorded and future advances of principal (but not including funds expended by such holder to pay real estate taxes, property insurance premiums, and expenses required to maintain the security value of such mortgage or to enforce such holder's rights under such mortgage) do not cause the outstanding principal balance at any time to exceed the Maximum Resale Price at such time; provided, further, such holder shall have (i) in the case of the commencement of foreclosure proceedings, duly notified all parties of record who are entitled to notice under the foreclosure statutes of the Commonwealth of Massachusetts, (ii) in the case of the commencement of other actions to enforce the mortgage and in the absence of the preceding notice with respect to foreclosure actions, notified the Grantor or its designee of any such action to enforce the mortgage within five days of the date that such action is commenced and (iii) notified the Grantor or its designee of such holder's intent to accept a deed in lieu of foreclosure at least 30 days prior to the acceptance of such deed; provided, further, the Grantor or its designee shall have the right to acquire such holder's interest in (i) the note and the mortgage on such Restricted Unit, at any time before the commencement of bidding at a foreclosure sale or the entry of a judgment enforcing the mortgage, or (ii) the Restricted Unit, if such holder acquires it, at any time before the end of the thirty-day period following such holder's acquisition of the Restricted Unit; and provided, further, in the event such holder, the Grantor or the Grantor's designee conducts a foreclosure or other proceeding enforcing its rights under such mortgage and the Restricted Unit is sold for a price in excess of the larger of (i) the Holder's Basis (as hereinafter defined) and (ii) the Maximum Resale Price applicable on the date of the sale, such excess shall be paid to the Grantor or its designee in consideration of the loss of the value and benefit of the Resale Restrictions, Income

Restrictions and Rental Restrictions held by the Grantor and released by the Grantor pursuant to this paragraph in connection with such proceeding (provided, that in the event that such excess shall be so paid to the Grantor or its designee by such holder, the Grantor shall thereafter indemnify such holder against loss or damage to such holder resulting from any claim made by the maker of such mortgage to the extent that such claim is based upon payment of such excess by such holder to the Grantor or its designee in accordance herewith, provided that such holder shall give the Grantor prompt notice of any such claim and shall not object to intervention by the Grantor in any proceeding relating thereto). If the Grantor or its designee decides to so acquire such holder's interest in said note and mortgage or the Restricted Unit, as the case may be, the Grantor or its designee shall give such holder two days' prior written notice and shall tender its certified check in an amount equal to the sum of the outstanding principal balance of the note secured by said mortgage plus accrued interest through the date of tender plus all reasonable costs and expenses which such holder is entitled to recover pursuant to the terms of such mortgage (the "Holder's Basis").

Within ten days of such tender, such holder shall either (i) endorse such note without recourse payable to the Grantor or its designee and deliver such note and a valid and binding assignment in recordable form of such mortgage and all other security to the Grantor or its designee or (ii) execute and deliver a quitclaim deed of the Restricted Unit to the Grantor or its designee, as the case may require. Each such mortgage shall contain the following clause: "The exercise of the holder's power of sale or other remedies terminating the mortgagor's interest in the mortgaged premises (including, without limitation, accepting a deed in lieu of foreclosure) are subject to compliance with the requirements set forth in a Quitclaim Deed, dated _____ 1986

from the Boston Redevelopment Authority to 4-18 Clarendon Street/72 Warren Avenue Limited Partnership, said Deed being recorded with the Suffolk County District of the Registry of Deeds in Book _____, at Page _____ and Page _____, respectively."

Covenants to Run With the Land: It is intended and agreed that the agreements, covenants and restrictions set forth above shall run with the Property and shall be binding upon the Grantee, its successors and assigns, for the benefits of the enforceable by the Grantor and its successors and assigns for a period of 50 years. Without limitation on any other rights or remedies of the Grantor, its successors or assigns, any sale or other transfer or conveyance of any Restricted Unit in violation of the provisions of this Deed in the absence of a certificate from the Grantor or the Administrator approving such sale, transfer or conveyance as provided hereinabove, shall, to the maximum extent permitted by law, be voidable by the Grantor, its successors or assigns by suit in equity to enforce restrictions.

The Grantor warrants and represents that it has not dedicated the conveyed premises to use as a public park in such manner as to require a special act of the General Court pursuant to Article 97 of the Amendments to the Massachusetts Constitution.

This conveyance is also made subject to the following restriction, which shall run with the Property for the benefit of the Grantor and its successors and assigns, and shall be binding upon the Grantee, its successors and assigns, for a period of 30 years.

No additional structures or improvements of any kind beyond those now existing or those provided for in the Final Working Drawings and Specifications referred to in the Land Disposition Agreement, and any approved Change Orders therefore shall be erected on the Property without the prior, written approval of the Grantor or its successors or assigns. As used herein, "improvements" shall include, but shall not be limited to, parking lots, carports, equipment sheds, recreational facilities and swimming pools. However, in the event of fire or other damage to the Building, the Grantee or its successors may repair such damage or restore or rebuild the Building in accordance with the above-described Final Working Drawings and Specifications or Charge Orders or in accordance with such other plans and specifications as may be submitted to and approved in writing by the Grantor.

Nothing contained herein shall limit the rights of the Grantor to release or waive, from time to time, in whole or in part, any of the restrictions contained herein with respect to any one or more Units, without regard to whether the Grantor shall have acquired or will acquire any interest in such Units or Units.

Witness our hands and seals this ____th day of 1986.

Commonwealth of Massachusetts

Suffolk, ss.

_____, 1986

Then personally appeared the above-named _____

_____ and acknowledged the foregoing instrument to be the free act and deed of the _____ before me

Notary Public
My Commission Expires:

September 9, 1986

5A.

TO: Boston Redevelopment Authority and
Stephen Coyle, Director

FROM: Ricardo A. Millett, Assistant Director for
Neighborhood Housing and Development and
Maria Faria, South End Project Coordinator

RE: South End Urban Renewal Area Project No. Mass. R-56
Final Designation of Redeveloper of Reuse
Parcels SE-74 to SE-77 and SE-113 Located at
4-18 Clarendon Street and 72 Warren Avenue

SUMMARY: This memorandum requests final designation be granted by the Authority, to 4-18 Clarendon Street/72 Warren Avenue Limited Partnership as Redeveloper of Reuse Parcels SE-74 to SE-77 and SE-113 for the creation of twenty-four residential condominium units and four commercial condominium units. Ten residential condominiums will be sold to moderate income families at below-market prices.

On December 5, 1985, H & D Development and Renaissance Properties was tentatively designated as Redeveloper of Parcels Se-74 to SE-77 and SE-113 located at 4-18 Clarendon Street and 72 Warren Avenue. 4-18 Clarendon Street consists of 4 four-story brick buildings and 72 Warren Avenue consists of a three-story brick building on approximately 12,433 square feet of land.

To develop these five vacant buildings, H & D Development and Renaissance Properties entered into a partnership to form the 4-18 Clarendon Street/72 Warren Avenue Limited Partnership (The Partnership).

The proposal submitted by the Partnership calls for the rehabilitation of the five vacant buildings into twenty-four residential condominium units and four market rate commercial condominium units. Four of the residential condominium units will be rented at market rates. Of the remaining twenty residential condominium units, ten will be sold to moderate-income families at below-market prices. Three one-bedroom below-market rate condominiums will cost \$40,000, five two-bedroom units, \$55,000, one three-bedroom unit, \$60,000, and one four-bedroom unit, \$63,000. Families of four with incomes between \$17,000 and \$27,200 will be eligible for affordable rate condonimiums. Furthermore, the first-time homebuyers will be eligible for MHFA financing.

The developer has included two innovative provisions which will guarantee long-term affordability for the ten below-market units in perpetuity. First, there will be a deed restriction limiting the re-sale price to subsequent purchasers based on the change in the cost of living index. Second, these ten units must be owner-occupied rather than owned by absentee investors.

The total development cost for this project has been estimated at \$3,409,000. The Partnership has received a firm financing commitment from Bank of Boston for \$3,400,000.

The Partnership has worked closely with the Ellis Neighborhood Association and the South End Historical Society to gain approval of the architectural design and development program.

Renaissance Properties, Inc., of renowned experience and capacity in the field of historic renovations, will be the general contractor, and Bialosky and Manders, also with experience in historical renovations, will be the project architect. Furthermore, in compliance with all aspects and specifications of the South End Urban Renewal Plan, 4-18 Clarendon Street/72 Warren Avenue Limited Partnership has submitted Final Working Drawings and Specifications which have been reviewed and approved by the Authority's Design Department.

It is, therefore, recommended that 4-18 Clarendon Street/72 Warren Avenue Limited Partnership be finally designated as Redeveloper of Reuse Parcels Se-74 to Se-77 and SE-113, located at 4-18 Claredon Street and 72 Warren Avenue.

An appropriate resolution is attached.



